



Oregon

Theodore R. Kulongoski, Governor

Public Utility Commission

550 Capitol St NE, Suite 215

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Salem, OR 97308-2148

Consumer Services

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Local: (503) 378-6600

Administrative Services

(503) 373-7394

May 5, 2008

OREGON PUBLIC UTILITY COMMISSION
ATTENTION: FILING CENTER
PO BOX 2148
SALEM OR 97308-2148

RE: **Docket No. UW 125** - In the Matter of WILLAMETTE WATER COMPANY
Request for a General Rate Increase.

Enclosed for electronic filing in the above-captioned docket is the Stipulation among Staff, Willamette Water Company and Goshen Fire District.

/s/ Kay Barnes

Kay Barnes

Regulatory Operations Division

Filing on Behalf of Public Utility Commission Staff

(503) 378-5763

Email: kay.barnes@state.or.us

c: UW 125 Service List - parties

**PUBLIC UTILITY COMMISSION
OF OREGON**

UW 125

STIPULATION

**Entered into by
Public Utility Commission Staff
Willamette Water Company
And
Goshen Fire District**

**Willamette Water Company
Request for a General Rate Increase**

May 5, 2008

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BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UW 125

In the Matter of WILLAMETTE)
WATER COMPANY’S Application) STIPULATION
For a General Rate Increase.)

Willamette Water Company (WWC or the Company), appearing by and through its attorney, Lisa Rackner; the Goshen Fire District (Intervenor), appearing by and through Chief David A. Wolting; and the Public Utility Commission Staff (Staff) appearing by and through its attorney, Jason W. Jones, Assistant Attorney General, (Parties) enter into this agreement in settlement of all issues between them.

1.

The Parties agree to a total Revenue Requirement of \$209,047 and concur that the allocation of such revenue requirement among the customer classes is as follows: \$60,077 from Residential customers; \$145,940 from Commercial and Industrial customers; \$2,786 from Private Fire Protection customers; and \$242 from Temporary Hydrant customers. (Any difference in totals is due to rounding.)

2.

The stipulated Revenue Requirement is contained in Attachment A. The rates stipulated to by the Parties are contained in Attachment B.

1 3.

2 The Parties agree to total Revenue Reductions of \$200,271, and a Net
3 Operating Income of \$8,772. In addition, the Parties agree that, given the revenue
4 requirement, rate base, and expenses, the Company will have a reasonable
5 opportunity to earn a 9.5 percent rate of return on a total Rate Base of \$92,332.

6 4.

7 The Parties agree and support the Company charging Residential Metered
8 rates according to Schedule No. 1 as set forth in the tariff sheets designated PUC
9 Oregon No. 2, Original Sheet No. 3 and Original Sheet No. 4.

10 5.

11 The Parties agree and support the Company charging Commercial and
12 Industrial Metered rates according to Schedule No. 2 as set forth in the tariff sheets
13 designated PUC Oregon No. 2, Original Sheet No. 5 and Original Sheet No. 6.

14 6.

15 The Parties agree and support the Company charging Private Fire Protection
16 Service rates according to Schedule No. 3 as set forth in the tariff sheet designated
17 PUC Oregon No. 2, Original Sheet No. 7.

18 7.

19 The Parties agree and support the Company charging the consumption rate to
20 Public Fire Protection Service customers according to Schedule No. 4 as set forth in
21 the tariff sheet designated PUC Oregon No. 2, Original Sheet No. 8.

1 8.

2 The Parties agree and support the Company charging the Temporary Hydrant
3 Meter rates according to Schedule No. 5 as set forth in the tariff sheet designated
4 PUC Oregon No. 2, Original Sheet No. 9.

5 9.

6 The Parties agree and support the Company charging Miscellaneous Services
7 Charges according to Schedule No. 6 as set forth in the tariff sheet designated
8 PUC Oregon No. 2, Original Sheet No. 10.

9 10.

10 As a condition of this stipulation, Goshen Fire District agrees to continue to
11 provide hydrant maintenance on an annual basis as follows:

- 12 1. Remove weeds around hydrants;
- 13 2. Exercise hydrants (flush and check flow);
- 14 3. Check and service hydrant cap seals and valve stems; and
- 15 4. Notify WWC with respect to needed repairs.

16 11.

17 The Company agrees that it will promptly file an automatic adjustment clause
18 tariff with the Commission to account for annual expected increases in purchased
19 water from EWEB. The Parties agree to support the concept of an automatic
20 adjustment clause to recover the expected increases in costs of purchased water
21 from EWEB.

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12.

Given that the agreed to rates do not fully transition to AWWA factors by size of connection, Staff is concerned that an automatic adjustment clause may delay future movements to rates based on AWWA factors. Therefore, in the event the Company has not made a general rate filing by January 1, 2014, Staff may subsequently request the Company to file rates, to be effective with the effective date of the next automatic adjustment tariff change, that move one-third towards full AWWA-factor based rates. The Company agrees to comply with such a Staff request.

13.

By entering into this Stipulation, no Party shall be deemed to have approved, accepted, or consented to the facts, principles methods, or theories employed by any other Party in arriving at the agreed revenue requirement, rate spread, and design.

14.

The Parties recommend that the Commission adopt this stipulation in its entirety. The Parties have negotiated this stipulation as an integrated document. Accordingly, if the Commission rejects all or any material portion of this stipulation, each Party reserves the right, upon written notice to the Commission and all Parties to this proceeding within 15 days of the date of the Commission's order, to withdraw from the stipulation and request an opportunity for the presentation of additional evidence and argument.

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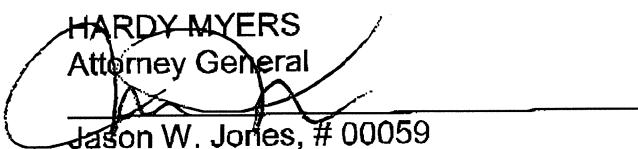
15.

The Parties understand that this stipulation is not binding on the Commission in ruling on this application and does not foreclose the Commission from addressing other issues.

DATED this 5th day of May 2008.

Respectfully submitted,

HARDY MYERS
Attorney General



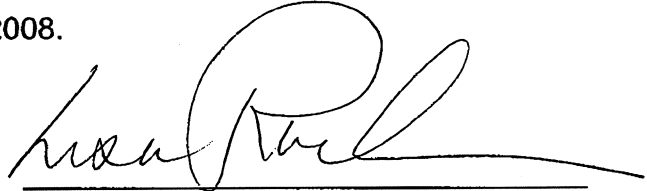
Jason W. Jones, # 00059
Assistant Attorney General
Of Attorneys for PUC Staff

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15.

The Parties understand that this stipulation is not binding on the Commission in ruling on this application and does not foreclose the Commission from addressing other issues.

DATED this 2 day of May 2008.



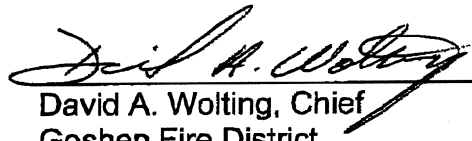
Lisa F. Rackner #873844
Attorney for
Willamette Water Company

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15.

The Parties understand that this stipulation is not binding on the Commission in ruling on this application and does not foreclose the Commission from addressing other issues.

DATED this 5th day of May 2008.



David A. Wolting, Chief
Goshen Fire District

WILLAMETTE WATER COMPANY
UW 125
Test Year: 2006
REVENUE REQUIREMENT

Company Case
 21%
 Water sales
 Staff
 17.7%

Acct. No.		A	B	C	D	E	F	G	
		Balance Per Application Test Year: 2006	Proposed Company Adjustments	Adjusted Results (A+B=C)	Proposed Staff Adjustments	Adjusted Results (A+F=G)	Staff Proposed Rev Changes	Proposed Results (G+H+I)	
REVENUES									
1	461.1	Residential Water Sales	49,654	13,432	63,086	0	49,654	10,423	60,077
2	461.2	Commercial/Industrial Water Sales	120,620	6,084	126,704	0	120,620	25,320	145,940
3	462.1	Fire Protection Sales - Public/Private	6,840	13,876	20,716	(6,840)	0	0	0
4	462.2	Fire Protection Sales - Private	564	3,674	4,238	1,739	2,303	483	2,786
5	470	Other Revenues	15,048	(15,048)	0	(15,048)	0	0	0
6		Temporary Hydrant Revenue	1,455	(1,255)	200	(1,255)	200	42	242
7		TOTAL REVENUE	194,181	20,763	214,944	(21,404)	172,777	36,270	209,047
OPERATING EXPENSES									
10	601	Salaries and Wages - Employees	62,038	(62,038)	0	(62,038)	0	0	0
11	603	Salaries and Wages - Officers	0	0	0	0	0	0	0
12	604	Employee Pension & Benefits	6,195	(6,195)	0	(6,195)	0	0	0
13	610	Purchased Water	66,536	(1,884)	64,652	(1,204)	65,332	0	65,332
14	611	Telephone/Communications	2,648	(1,048)	1,600	(1,048)	1,600	0	1,600
15	615	Purchased Power	0	0	0	0	0	0	0
16	618	Chemical / Treatment Expense	0	0	0	0	0	0	0
17	619	Office Supplies	385	21	406	12	397	0	397
18	619.1	Postage	919	81	1,000	63	982	0	982
19	620	O&M Materials/Supplies	1,160	0	1,160	(437)	723	0	723
20	621	Repairs to Water Plant	1,554	2,446	4,000	4,862	6,416	0	6,416
21	631	Contract Svcs - Engineering	18	1,482	1,500	482	500	0	500
22	632	Contract Svcs - Accounting	7,955	(6,005)	1,950	(6,005)	1,950	0	1,950
23	633	Contract Svcs - Legal	12,091	(1,091)	11,000	(8,179)	3,913	0	3,913
24	634	Contract Svcs - Management Fees	18,555	67,758	86,313	67,758	86,313	0	86,313
25	635	Contract Svcs - Testing	825	(315)	510	(186)	639	0	639
26	636	Contract Svcs - Labor	4,208	10,792	15,000	10,792	15,000	0	15,000
27	637	Contract Svcs - Billing/Collection	0	630	630	263	263	0	263
28	638	Contract Svcs - Meter Reading	5,000	(5,000)	0	(5,000)	0	0	0
29	639	Contract Svcs - Other	0	0	0	0	0	0	0
30	641	Rental of Building/Real Property	4,625	(4,625)	0	(4,625)	0	0	0
31	642	Rental of Equipment	0	400	400	0	0	0	400
32	643	Small Tools	0	38	38	38	38	0	38
33	648	Computer/Electronic Expenses	495	0	495	0	495	0	495
34	650	Transportation	1,395	(1,395)	0	(1,395)	0	0	0
35	656	Vehicle Insurance	0	0	0	0	0	0	0
36	657	General Liability Insurance	2,236	(241)	1,995	(241)	1,995	0	1,995
37	658	Workers' Comp Insurance	636	(636)	0	(636)	0	0	0
38	659	Insurance - Other	0	0	0	0	0	0	0
39	660	Public Relations/Advertising	0	0	0	0	0	0	0
40	666	Amortz. of Rate Case	520	3,870	4,390	3,969	4,489	0	4,489
41	667	Gross Revenue Fee (PUC)	437	28	465	(5)	432	523	955
42	668	Water Resource Conservation	0	0	0	0	0	0	0
43	670	Bad Debt Expense	80	710	790	0	80	0	80
44	671	Cross Connection Control Program	75	0	75	0	75	0	75
45	672	System Capacity Dev Program	0	0	0	0	0	0	0
46	673	Training and Certification	300	248	548	(140)	160	0	160
47	674	Consumer Confidence Report	0	250	250	250	250	0	250
48	675	General Expense	531	50	582	101	632	0	632
49		TOTAL OPERATING EXPENSE	201,417	(1,668)	199,749	(8,744)	192,673	523	193,195
OTHER REVENUE DEDUCTIONS									
50	403	Depreciation Expense	2,523	0	2,523	940	3,463	0	3,463
51	407	Amortization Expense	0	0	0	0	0	0	0
52	408.11	Property Tax	1,383	35	1,418	85	1,468	0	1,468
53	408.12	Payroll Tax	0	0	0	0	0	0	0
54	408.13	Other	50	0	50	(50)	0	0	0
55	409.11	Oregon Income Tax	0	753	753	(1,634)	(1,634)	2,353	719
56	409.10	Federal Income Tax	0	1,598	1,598	(3,241)	(3,241)	4,667	1,426
57		TOTAL REVENUE DEDUCTIONS	205,373	718	206,091	(12,645)	192,728	7,543	200,271
58		NET OPERATING INCOME	(11,192)	20,045	8,853	(8,759)	(19,951)	28,722	8,772
59	101	Utility Plant in Service	125,014	12,101	137,115	25,313	150,327	0	150,327
60		Less:							
61	108.1	Depreciation Reserve	63,195	0	63,195	10,856	74,051	0	74,051
62	271	Contributions in Aid of Const	0	0	0	0	0	0	0
63	272	Amortization of CIAC	0	0	0	0	0	0	0
64	281	Accumulated Deferred Income Tax	0	0	0	0	0	0	0
65		Net Utility Plant	61,819	12,101	73,920	14,457	76,276	0	76,276
66		Plus: (working capital)							
67	151	Materials and Supplies Inventory	0	0	0	0	0	0	0
68		Working Cash (Total Op Exp /12)	15,899	0	15,899	157	16,056	0	16,056
69		TOTAL RATE BASE	77,718	12,101	89,819	14,614	92,332	0	92,332
70		Rate of Return	-14.40%		9.86%		-21.61%		9.50%

	Company	Staff
number of customers	171	171
op/exp/cust/year	\$1,161	\$1,120
Cash Flow	11,376	12,235

Containing Rules and Regulations Governing Water Utility Service

NAMING RATES FOR

Willamette Water Company, Inc.

(name of utility)

25275 Loten Way

(address)

Veneta OR 97487

(city, state, & zip code)

(541) 935-1050

(telephone numbers and type)

Serving water in the vicinity of

Goshen, Oregon

Issue Date		Effective Date	
Issued By	Willamette Water Company, Inc. <i>(at least 30 days after PUC receives filing)</i>		
Signature			
Name & Title	Jeff Demers, Secretary		

ADVICE NO. _____
(PUC USE ONLY)

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Issue Date		Effective Date	
Issued By	Willamette Water Company, Inc. <i>(at least 30 days after PUC receives filing)</i>		
Signature			
Name & Title	Jeff Demers, Secretary		

ADVICE NO. _____
 (PUC USE ONLY)

SCHEDULE NO. 1

RESIDENTIAL METERED RATES

Available: To customers of the Utility at Goshen, Oregon, and vicinity.

Applicable: To residential customers with water meters.

Base Rate

Service Meter Size	Monthly Base Rate	Usage Allowance	Unit of Measure
5/8 or 3/4 inch	\$28.64	0	cubic feet
1 inch	\$54.25	0	cubic feet
1½ inches	\$82.48	0	cubic feet
DM1	\$28.64	0	cubic feet

Commodity Usage Rate

Commodity Rate		Number of Units	Unit of Measure	Base Usage Allowance		Unit of Measure
\$1.80	Per	100	cubic feet	Above	0	cubic feet

(Sample: \$1.00 per 100 gallons above 3000 gallons)

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.

Issue Date		Effective Date	
Issued By	Willamette Water Company, Inc. <i>(at least 30 days after PUC receives filing)</i>		
Signature			
Name & Title	Jeff Demers, Secretary		

ADVICE NO. _____
 (PUC USE ONLY)

2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified in this schedule. When setting of a meter is impracticable, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.

3. Whenever an existing water meter serves more than one use, the customer will be charged one base rate for the size water meter, plus the base rate for a 5/8 x 3/4 meter for each additional use. The customer will be charged the commodity rate for all usage. No new multiple uses on a single meter are permitted.

4. For multi-family residential usage - The multi-family residential customer is a dwelling premise consisting of more than one residential dwelling unit with multiple dwellings in a single building, e.g., duplex, triplex, apartment building. The water utility may charge the owner of the premise a base rate for the meter size installed on the premises for the first dwelling unit and a 5/8 x 3/4 inch base charge per dwelling unit for all of the other dwelling units and a commodity rate for the total water consumed through a master meter.

5. For mixed residential / commercial usage, the water utility will charge a base rate for the size water meter serving the commercial use (1-inch minimum) plus a 5/8 x 3/4 inch base rate for each residential use in the same building, plus the commodity rate for water used.

Issue Date		Effective Date	
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Signature			
Name & Title	Jeff Demers, Secretary		

ADVICE NO. _____
 (PUC USE ONLY)

SCHEDULE NO. 2

COMMERCIAL AND INDUSTRIAL METERED RATES

Available: To customers of the Utility at Goshen, Oregon, and vicinity.

Applicable: To commercial and industrial customers with water meters.

Base Rate

Service Meter Size	Monthly Base Rate	Usage Allowance	Unit of Measure
5/8 or 3/4 inch	\$28.64	0	cubic feet
1 inch	\$54.25	0	cubic feet
1½ inches	\$82.48	0	cubic feet
2 inch	\$144.34	0	cubic feet
3 inch	\$312.34	0	cubic feet
4 inch	\$433.00	0	cubic feet
6 inch	\$687.31	0	cubic feet
8 inch	\$1,446.79	0	cubic feet
DM1	\$28.64	0	cubic feet
DM2	\$45.82	0	cubic feet
DM3	\$57.28	0	cubic feet

Issue Date		Effective Date	
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Signature			
Name & Title	Jeff Demers, Secretary		

ADVICE NO. _____
 (PUC USE ONLY)

Commodity Usage Rate

Commodity Rate		Number of Units	Unit of Measure	Base Usage Allowance		Unit of Measure
\$1.80	Per	100	cubic feet	Above	0	cubic feet

(Sample: \$1.00 per 100 gallons above 3000 gallons)

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified in this schedule. When setting of a meter is impracticable, the amount of water used shall be estimated by the utility, and the charges shall be made at specified rates for the amounts so estimated, including monthly minimum meter rates.
3. Existing 5/8 and 3/4 inch meters will be allowed to continue in use at the Schedule 2 rates, however, the minimum size meter for all new commercial and industrial uses will be 1 inch.
4. The water utility will charge the owner of the commercial complex a base rate for each commercial unit receiving water service. This means that the individual unit has water plumbed to the unit for purposes other than fire protection. The utility will charge the commercial complex customer a base rate for each individual unit in the complex receiving water service and a commodity rate for the water consumed for non-fire purposes.
5. In the case of a commercial complex that has multi-buildings and multi-units in the buildings and the buildings have water service, but not all units have water service, the water utility will charge the commercial complex customer a base rate for the size meter installed for the first building or unit, plus a 1-inch base rate for each of the other individual buildings or units in the complex receiving water service, plus a commodity rate for water consumed.

Issue Date		Effective Date	
Issued By	Willamette Water Company, Inc. <i>(at least 30 days after PUC receives filing)</i>		
Signature			
Name & Title	Jeff Demers, Secretary		

ADVICE NO. _____
 (PUC USE ONLY)

SCHEDULE NO. 3

PRIVATE FIRE PROTECTION SERVICE

Available: To customers of the Utility at Goshen, Oregon, and vicinity.

Applicable: To customers with automatic sprinkler systems and fire hydrant service for private fire protection and located on the customer's premises.

Base Rate

Service Meter Size	Monthly Base Rate	Usage Allowance	Unit of Measure
4 inch	\$20.30	0	cubic feet
6 inch	\$43.56	0	cubic feet
6 inch	\$87.14	0	cubic feet

Commodity Usage Rate

Commodity Rate		Number of Units	Unit of Measure	Base Usage Allowance		Unit of Measure
\$1.80	Per	100	cubic feet	Above	0	cubic feet

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.
2. Water taken under this schedule is to be used only to extinguish fires and for flushing necessary to maintain fire protection equipment. The consumption may be estimated or a meter may be installed at the customer's expense and with the utility's preauthorization and approval of the meter to be used. The water use shall be billed at regular metered rates.
3. The minimum size fire protection meter to be billed is 4 inches. At a minimum, the customer shall install a utility approved backflow device and detection meter that is located on the customer's property at the property line, and outside of any building.

Issue Date		Effective Date	
Issued By	Willamette Water Company, Inc. <i>(at least 30 days after PUC receives filing)</i>		
Signature			
Name & Title	Jeff Demers, Secretary		

ADVICE NO. _____
 (PUC USE ONLY)

SCHEDULE NO. 4

PUBLIC FIRE PROTECTION SERVICE

Available: To customers of the Utility at Goshen, Oregon, and vicinity.

Applicable: To fire hydrant service for public fire protection only.

Commodity Usage Rate

Commodity Rate		Number of Units	Unit of Measure	Base Usage Allowance		Unit of Measure
\$1.80	Per	100	cubic feet	Above	0	cubic feet

Special Provisions:

1. Water taken under this schedule is to be used only for fire protection and training exercises. The consumption may be estimated or a meter may be installed at the customer's expense and with the utility's preauthorization and approval of the meter to be used. The water use shall be billed at the rates specified in this schedule.
2. There will be no charge for water used as part of a typical hydrant exercising procedure performed during annual maintenance.

Issue Date		Effective Date	
Issued By	Willamette Water Company, Inc. <i>(at least 30 days after PUC receives filing)</i>		
Signature			
Name & Title	Jeff Demers, Secretary		

ADVICE NO. _____
 (PUC USE ONLY)

SCHEDULE NO. 5

TEMPORARY HYDRANT METER

Available: To customers of the Utility at Goshen, Oregon, and vicinity.

Applicable: To customers wishing to draw water temporarily from a fire hydrant for such uses as construction.

Flat Rate

Service Meter Size	Monthly Base Rate	Usage Allowance	Unit of Measure
4" or 6" Hydrant	\$100.00	0	cubic feet

Commodity Usage Rate

Commodity Rate		Number of Units	Unit of Measure	Base Usage Allowance		Unit of Measure
\$1.80	Per	100	cubic feet	Above	0	cubic feet

Special Provisions:

1. Temporary service from a fire hydrant shall be permitted only from fire hydrants approved by the utility and only when service shall not interfere with the normal operation of the water system (such as during periods of hot dry weather with high water usage and high fire danger). Temporary service from a fire hydrant shall not be permitted in cases where it substitutes for a permanent service.
2. After an appropriate hydrant and meter configuration for the type of use permitted is determined, the Utility shall issue a hydrant permit for temporary service, not to exceed 30 days from the date of approval. Anyone using a hydrant without a permit shall be billed a Tampering Charge based on the above base rate and commodity usage rate with a minimum charge of two hours.
3. If damage occurs to the hydrant resulting from its being used as a temporary service, the person responsible for said damage will be billed the cost of repair.

Issue Date		Effective Date	
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Signature			
Name & Title	Jeff Demers, Secretary		

ADVICE NO. _____
 (PUC USE ONLY)

SCHEDULE NO. 6

MISCELLANEOUS SERVICE CHARGES

This schedule lists the miscellaneous charges included in the utility's Rules and Regulations; refer to the appropriate rules for an explanation of charges and conditions under which they apply.

<u>Connection Charge for New Service</u> (Rule No. 9)	
Standard 3/4-inch service	At cost
Nonstandard 3/4 inch service	At cost
Larger than 3/4-inch	At cost
<u>Meter Test</u> (Rule No. 21)	
First test within 12-month period	N/C
Second test within 12-month period	\$40
<u>Pressure Test</u> (Rule No. 40)	
First test within 12-month period	N/C
Second test within 12-month period	\$40
<u>Late-Payment Charge</u> (Rule No. 22)	
Charged on amounts more than 30 days past due	Pursuant to OAR 860-036-0130 (as of 1/1/08 – 1.7%)
<u>Deposit for Service</u> (Rule No. 5)	
Pursuant to OAR 860-036-0040(2)	Pursuant to OAR 860-036-0050 (as of 1/1/08 – 4%)
<u>Returned-Check Charge</u> (Rule No. 23)	
	\$25 each occurrence
<u>Trouble-Call Charge</u> (Rule No. 36)	
During normal office hours	\$40 per hour
After normal office hours on special request	\$60 per hour
<u>Disconnect Charge</u> (Rule No. 28)	
During normal office hours	\$30
After normal office hours on special request	\$45
<u>Reconnect Charge</u> (Rule No. 26, 28 & 29)	
During normal office hours	\$40
After normal office hours on special request	\$60
<u>Unauthorized Restoration of Service</u> (Rule No. 30)	
	Reconnection charge plus costs
<u>Damage/Tampering Charge</u> (Rule No. 34)	
	At cost
<u>Field Visit Charge</u> (Rule No. 29)	
	\$30

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RULES AND REGULATIONS

Rule 1: Jurisdiction of the Commission

The Rules and Regulations herein shall be subject to the rules and regulations of the Public Utility Commission of Oregon.

Rule 2: Definitions

- A. "Utility" shall mean **Willamette Water Company**.
- B. "Applicant" shall mean any person, business, or organization that applies for service or reapplies for service at a new existing location after service has been discontinued, except as noted in the definition of "Customer."
- C. "Commission" shall mean the Public Utility Commission of Oregon.
- D. "Customer" shall mean any person, business, or organization who has applied for, been accepted to receive, or is currently receiving service. A customer who voluntarily discontinues service at the same or different premises within 20 (twenty) days after discontinuance retains customer status.
- E. "Residential customer premises" shall mean any dwelling and its land including, but not limited to, a house, apartment, condominium, townhouse, cottage, cabin, mobile home, or trailer house.
- F. "Commercial customer premises" shall mean any premises at which a customer carries on any major activity of gaining a livelihood or performing a public service. Such activity may be of a business, industrial, professional, or public nature.
- G. "Main" shall mean the pipe laid in the street, alley, or other right-of-way for the distribution of water to customers. It shall not include service lines.
- H. "Service connection" shall mean the pipe, stops, fittings, meter, and meter box laid from the main to the property line of the premises served.
- I. "Customer line" shall mean the pipe, stops, and fittings leading from the property line to the premises served.

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J. "Point of Delivery" is the property line or the outlet swivel/union of the meter defining where the service connection stops and the customer line starts.

APPLICATION FOR SERVICE

Rule 3: Customer/Applicant Information (OAR 860-036-0015)

The utility shall provide or be able to provide customers or applicants with the following information:

- A. Instructions on how to read meters, either in writing or by explanation;
- B. Application and contract forms;
- C. Utility rules and regulations;
- D. Commission rules and regulations;
- E. Approved tariffs;
- F. Rights and Responsibilities Summary for Oregon Utility Consumers;
- G. Notices in foreign languages, if applicable;
- H. The utility's business address, telephone number, and emergency telephone number; and
- I. Notices approved by the Commission.

Rule 4: Application for Service (OAR 860-036-0035)

Application for water service must be made for each individual service. The application shall identify the applicant, the premises to be served, the billing address if different, the type of use to which the water is to be put, and an agreement to conform to the Rules and Regulations of the utility as a condition for receiving such service. The applicant shall, at this time, pay any scheduled fees or deposits. An application is a request for water utility service and shall not be accepted until the applicant establishes credit as set forth in OAR 860-036-0040.

An application for water service must be made where:

- A. An applicant who has not previously been served by the water utility requests service;
- B. Service has been involuntarily discontinued in accordance with the utility and Commission rules, and service is sought;
- C. Service has been voluntarily discontinued and a request to restore service has not been made within 20 days; or
- D. There is a change in the identity of a customer, the type of use to which the water is put, or the number of premises served.

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Rule 5: Deposit for Service (OAR 860-036-0040)

In accordance with the Commission's rules for credit establishment and deposit waiver, an applicant or a customer may be required to make a deposit to secure payment of bills for service. The deposit shall not exceed one-sixth (1/6) the amount of reasonable estimated billings for one year's use of service at the premises during the prior year or upon the type and size of the customer's equipment that will use the service. (OAR 860-036-0040)

The utility shall pay interest on deposits at the rate established by the Commission. After the customer has paid bills for service for 12 consecutive months without having had service discontinued for nonpayment, or more than two occasions in which a shut-off notice was issued, and the customer is not then delinquent in the payment of bills, the utility shall promptly and automatically refund the deposit plus accrued interest by (check one):

- 1) issuing the customer a refund check
- 2) crediting the customer's account; however, a customer is entitled to a refund upon request pursuant to OAR 860-036-0055.

Rule 6: Customer Service Line

The customer shall own and maintain the customer service line and promptly repair all breaks and leaks. The utility shall not be responsible for any damage or poor service due to inadequacy of the customer line or any portion of the customer's plumbing. All leaks in the customer line, faucets, and all other parts of the plumbing owned or controlled by the customer shall be promptly repaired so as not to waste water. The customer may install a shut-off valve on customer side of meter to allow for repairs to customer service line or interior plumbing. If the customer calls the utility to request water service shut off to allow for repairs on customer side of meter, customer shall be billed for a trouble call charge.

Rule 7: Separate Control of Service

All premises supplied with water will be served through service lines so placed as to enable the utility to control the supply to each individual premise using a valve placed within and near the line of the street, the utility right-of-way, or at the meter. Each single family residence shall have its own service connection to the utility's water line.

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MULTI-FAMILY RESIDENTIAL CUSTOMER

The multi-family residential customer is a dwelling premise consisting of more than one residential dwelling unit with multiple dwellings in a single building, e.g., duplex, triplex, apartment building. The water utility may charge the owner of the premise a base rate for the meter size installed on the premises for the first dwelling unit and a 5/8 x 3/4 inch base charge per dwelling unit for all of the other dwelling units and a commodity rate for the total water consumed through a master meter.

MULTI-UNIT COMMERCIAL CUSTOMER

The water utility will charge the owner of the commercial complex a base rate for each commercial unit receiving water service. This means that the individual unit has water plumbed to the unit for purposes other than fire protection. The utility will charge the commercial complex customer a base rate for each individual unit in the complex receiving water service and a commodity rate for the water consumed for non-fire purposes.

If the unit has only fire protection (including sprinklers), but no other water service, the water utility will charge a fire protection fee. The commercial complex owner would not be charged a base rate for commercial units without water (other than fire protection) plumbed directly to the unit.

In the case of a commercial complex that has multi-buildings and multi-units in the buildings and the buildings have water service, but not all units have water service, the water utility will charge the commercial complex customer a base rate for the size meter installed for the first building or unit, plus a 1-inch base rate for each of the other individual buildings or units in the complex receiving water service, plus a commodity rate for water consumed.

MIXED RESIDENTIAL-COMMERCIAL USE CUSTOMER

The water utility will charge a base rate for the size water meter serving the commercial use (1-inch minimum) plus a 5/8 x 3/4 inch base rate for each residential use in the same building, plus the commodity rate for water used.

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Rule 8: Service Connections (OAR 860-036-0060)

The utility shall furnish and install all necessary trenching, pipe, valves, and fittings between its main line and the customer's service line. Such installation shall be designated as the service connection. The utility shall own, operate, maintain, and replace the service connection when necessary and promptly repair all breaks and leaks. The customer shall not be responsible for any damage or poor service due to inadequacy of the service lines or any portion of the utility's plumbing.

Rule 9: Service Connection Charge (OAR 860-036-0060)

An applicant requesting permanent water service to premises not previously supplied with permanent water service by the utility shall be required to pay the service connection charge listed in the utility's Miscellaneous Service Charges Schedule. The minimum meter size for commercial or industrial use is 1 inch.

Rule 10: Main Line Extension Policy (OAR 860-036-0065)

The utility shall specify the size, character, and location of pipes and appurtenances in any main line extension. Main line extensions shall normally be along streets, roads, highways, or other satisfactory rights-of-way. All construction work shall conform to all applicable rules, regulations, codes, and industry standards. Each main line extension shall normally extend along applicant's property line to the point the applicant's service line would be at a 90-degree angle to the street or main line. The minimum mainline extension charge shall be for 100 feet.

Rule 11: Main Line Advances and Refunds Policy

Each new customer requesting a main line extension shall advance the utility the cost-base amount necessary to extend the main line to provide service.

The utility may require advance payment for expenses to prepare design and cost estimates for property development plans, speculative main extension inquiries, or for additional design and cost estimates requested by the developer/customer. Upon completion of the design and cost estimates, if the total engineering expenses are less than charged, the overcharge shall be refunded. If the total engineering expenses are more than charged, the customer shall pay the undercharge.

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The design and cost estimates shall be based on the complete and approved property development plans submitted by the developer/customer. Plans submitted shall include grade information, streets and sidewalk areas, sewer, landscaping, any available locations of other utility services, and an estimate of water service requirements, including fire flow requirements. If the developer-customer changes any plans and constructs the development in a manner other than originally stated, the developer/customer may be billed for any additional cost incurred by the utility.

The utility shall specify size, character, and location of pipes and appurtenances and all construction work shall conform to recognized standards of the water utility industry.

For a period of **5 years** after construction of the requested main line extension, the utility shall also collect from any additional applicants whose service connections or service lines shall connect to said main line extension an amount per foot equal to the new applicant's proportionate share of the main line extension cost for that portion used. The utility will then refund the share differential amount to those customers who previously shared the cost of said main line extension. Refunds shall not exceed the amount originally advanced. No part of the distribution system installed prior to the request for a main line extension shall be used to calculate any customer advance or refund.

Rule 12: Types of Use

Water service may be supplied for residential, commercial, irrigation, temporary construction, special contracts, fire prevention, and other uses. The utility shall file separate rate schedules for each type of use and basis of supply.

Rule 13: Multiple Residences

An apartment building, mobile home park, motel, trailer camp, duplex, townhouse, or any other property consisting of more than one residential unit, if served through one service line, shall be considered to be equivalent to the number of dwelling units when determining the customer count.

Rule 14: Utility Access to Private Property (OAR 860-036-0120(3)(b) and OAR 860-036-0205(3))

Customers shall provide access during reasonable hours to utility-owned service lines that extend onto the premises of the customer for the purposes of reading meters, maintenance, inspections, or removal of utility property at the time service is to be discontinued. Where the customer does not cooperate in providing reasonable access to the meter or to the premises, as required by law

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or to determine if a health or safety hazard exists, it is grounds for disconnection. The utility may inspect all adjoining property and improvements that the customer or property owner or their associates has an interest in. This inspection will be permitted to allow the utility to determine if there is an unauthorized use of water, or if a cross connection exists.

Rule 15: Restriction on Entering a Customer Residence (OAR 860-036-0085)

No water utility employee shall enter the residence of its customers without proper authorization except in an emergency when life or property is endangered.

REFUSAL OF SERVICE

Rule 16: Refusal of Service Due to Customer Accounts (OAR 860-036-0080(1-3))

The utility may refuse to serve an applicant until receipt of full payment of overdue amounts, or other obligations related to a prior account of the applicant with the utility, when the following circumstances exist:

- A. An overdue amount remains outstanding by a customer at the service address;
- B. The applicant resided at the service address indicated in (A) during the time the overdue charges were incurred; and
- C. The person indicated in (A) will reside at the location to be served under the new application. (OAR 860-036-0080)

If service is refused under this rule, the utility shall inform the applicant or customer of the reasons for the refusal and of the Commission's dispute resolution process. Service shall not be refused for matters not related to water service. Residential service shall not be refused due to obligations connected with non-residential service.

Rule 17: Refusal of Service Due to Utility Facilities (OAR 860-036-0080(7))

The utility shall not accept an application for service or materially change service to a customer if the utility does not have adequate facilities or water resources to render the service applied for, or if the desired service is of a character that is likely to unfavorably affect reasonable service to other customers.

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For refusal of service under this rule, the utility shall provide a written letter of refusal to the applicant informing applicant that the details upon which the utility's decision was based may be requested. A copy of such notice will be sent to the Commission. The details will include, but not be limited to:

- A. Current capacity and load measured in gallons or cubic feet per minute;
- B. Current capacity and load measured in pounds per square inch;
- C. Cost to the utility for additional capacity in order to provide the additional service; and
- D. Information regarding the appeal process of the utility's refusal to provide service is available through the Commission's dispute resolution process pursuant to OAR 860-036-0025.

Rule 18: Refusal of Service Due to Customer Facilities (OAR 860-036-0080(4-6))

The utility shall refuse service to an applicant or customer whose facilities do not comply with applicable plumbing codes or, if in the best judgment of the utility, are of such a character that safe and satisfactory service cannot be given.

If service is refused under this rule, the utility will provide written notification to the customer within 10 working days stating the reason(s) for refusal and providing information regarding the Commission's complaint process. A copy of the notification will also be sent to the Commission.

METERS

Rule 19: Utility Meters (OAR 860-036-0105)

The utility shall own, maintain, and operate all meters. Meters placed in service shall be adequate in size and design for the type of service, set at convenient locations, accessible to the utility, subject to the utility's control, and placed in a meter box or vault between the street curb and property line. Each meter box or vault shall be provided with a suitable cover. The meter cost shall be included in the service connection fee listed in the utility's Miscellaneous Service Charges Schedule.

Where additional meters are furnished by the utility or relocated for the convenience of the customer, the customer will be charged the cost of the meter / meter installation.

The water utility shall have the right to set meters or other devices for the detection and prevention of fraud or waste without notice to the customer.

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Each customer shall provide the utility with regular access to the meter on the customer’s property. Failure to permit access at reasonable times and after reasonable notice by the utility requesting access is grounds for disconnection. (OAR 860-036-0120) Should damage result to the meter from molesting, tampering, or willful neglect on the part of the customer, the utility shall repair or replace the meter and may bill the customer for the reasonable cost. (OAR 860-036-0105(6))

Rule 20: Meter Testing (OAR 860-036-0110)

The meter shall be tested prior to or within 30 days of installation to determine it is accurate to register not more than 2 percent error. No meter shall be allowed to remain in service if it registers an error in excess of 2 percent under normal operating conditions. The utility shall maintain a record of all meter tests and results. Meter test result records shall include:

- A. Information necessary to identify the meter;
- B. Reason for making the test;
- C. Date of test;
- D. Method of testing;
- E. Meter readings;
- F. Test results; and
- G. Any other information required to permit convenient checking of methods employed.

Rule 21: Customer-Requested Meter Test (OAR 860-036-0115)

A customer may request that the utility test the service meter. Such test shall be made within 20 working days of the receipt of such request at no cost to the customer. The customer has the right to be present during said test, which is to be scheduled at a mutually agreeable time. A written report shall be provided to the customer stating:

- A. Customer’s name;
- B. Date of the customer’s request;
- C. Address at which the meter has been installed;
- D. Meter identification number;
- E. Date of actual test; and
- F. Test results.

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If a customer requests a meter test more often than once in any 12-month period, the deposit listed on the Miscellaneous Service Charges Schedule may be required to recover the cost of the test. If the meter is found to register more than 2 percent fast under conditions of normal operation, the utility shall refund the deposit to the customer.

BILLING

Rule 22: Billing Information/Late-Payment Charge (OAR 860-036-0120, OAR 860-036-0125 and OAR 860-036-0130)

Bills are due and payable when rendered by deposit in the mail or other reasonable means of delivery. As near as practical, meters shall be read at monthly intervals on the corresponding day of each meter reading or billing period. The bill shall be rendered immediately thereafter. OAR 860-036-0120(3) requires water utilities to bill at monthly intervals. A utility may request upon application special authority by the Commission to bill at intervals other than monthly.

The utility shall make reasonable efforts to prepare opening and closing bills from actual meter readings. When there is good reason for doing so, estimated bills may be submitted. Any estimated billings shall be clearly designated as such.

The late-payment charge determined by the Commission and listed on the Miscellaneous Service Charges Schedule shall be applied to all overdue balances at the time of preparing the subsequent months' bill or balances owing that are 30 days old.

All bills become delinquent if not paid within 15 days of the date of transmittal of the bill. OAR 860-036-0125 requires a minimum of 15 days. If permitted to become delinquent, water service may be terminated after proper notice as provided in Rule 29, Reconnection Charge/Disconnection Visit Charge.

All water service bills shall show:

- A. Beginning and ending meter readings for the billing period;
- B. Beginning and ending dates of the period of service to which the bill applies;
- C. For all metered bills, beginning and ending meter readings for the period for which the bill is rendered;
- D. Number of units of service supplied stated in gallons or cubic feet;
- E. Schedule number under which the bill was computed;
- F. Delinquent date of the bill;
- G. Total amount due; and
- H. Any other information necessary for the computation of the bill.

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Rule 23: Returned-Check Charge

The returned-check charge listed on the Miscellaneous Service Charges Schedule shall be billed for each occasion a customer submits a check for payment that is not honored, for any reason, by a bank or other financial institution.

Rule 24: Prorating of Bills

Initial and final bills will be prorated according to the number of days service was rendered and on the basis of a 30-day month. For metered services, the meter will be read upon opening and closing a customer's account. Consumption will be charged at scheduled rates. Any minimum monthly charge will be prorated.

Rule 25: Adjustment of Bills (860-036-0135)

When an underbilling or overbilling occurs, the utility shall provide written notice to the customer detailing the circumstances, period of time, and the amount of the adjustment. If it can be shown that the error was due to an identifiable cause, the date of which can be fixed, the overcharge or undercharge shall be computed back to such date. If no date can be fixed, the utility shall refund the overcharge or re-bill the undercharge for no more than 6 months' usage. In no event shall an overbilling or underbilling be for more than three years' usage. No billing adjustment shall be required if a meter registers less than 2 percent error under conditions of normal operation.

When a customer is required to repay an underbilling, the customer shall be entitled to enter into a time-payment agreement without regard to whether the customer already participates in such an agreement. If the customer and the utility cannot agree upon payment terms, the Commission shall establish terms and conditions to govern the repayment obligation. The utility shall provide written notice advising the customer of the opportunity to enter into a time-payment agreement and of the Commission's complaint process.

DISCONNECTION OF WATER SERVICE

Rule 26: Voluntary Discontinuance (OAR 860-036-0210)

Except for emergencies, customers who (for any reason) wish to have service discontinued shall provide the utility with at least 5 days' advance notice of the requested date of discontinuance of service. Until the utility receives such notice, the customer shall be held responsible for all service

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rendered. Should the customer wish to recommence service within 12 months at the same premises, the customer will be required to pay the customary minimum monthly charge as if service had been continuous. The reconnection charge listed on the Miscellaneous Service Charges Schedule will be applicable at the time of reconnection.

If the service has been voluntarily disconnected for a period of 15 months or more, the utility may choose to remove the meter service. Before meter service is removed, the customer shall be notified that the customer may choose to recommence service or have the meter removed. If the meter is removed, a new meter installation charge must be paid to have the meter re-installed and service recommenced.

Rule 27: Emergency Disconnection (OAR 860-036-0215)

The utility may terminate service in emergencies when life or property is endangered without following the procedures set forth in OAR 860-036-0245. Immediately thereafter, the utility will notify the customer and the Commission. When the emergency termination was through no fault of the customer, there shall be no charge made for restoration of service.

Rule 28: Disconnection of Water Service Charge for Cause (OAR 860-036-0205 and 0245)

When a customer fails to comply with the utility's rules and regulations, or permits a bill or charge for regulated services to become delinquent (except for nonpayment of a time-payment agreement*), the utility shall give at least five days' written notice before water may be shut off. The notice shall state:

- A. The reason(s) for the proposed disconnection;
- B. The earliest date for disconnection;
- C. The amount to be paid to avoid disconnection;
- D. An explanation of the time-payment provision of OAR 860-036-0125;
- E. Information regarding the Commission's dispute resolution process; and
- F. The Commission's Consumer Services toll-free number, 1-800-522-2404.

Prior to disconnection on the day that the water utility expects to disconnect service, the utility must make a good-faith effort to physically contact the customer to be disconnected or an adult at the customer's premise to be disconnected to advise the customer or adult of the proposed disconnection. If contact is not made, the utility shall leave a notice in a conspicuous place at the customer's premise informing the customer that service has been or is about to be disconnected. The utility shall document its efforts to provide notice and make that documentation available to the customer upon request.

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Service shall not be shut off for non-emergencies on a Friday or the day of a state- or utility-recognized holiday or the day prior to such holiday. (OAR 860-036-0220)

The utility shall not disconnect residential service due to the failure to pay or meet obligations associated with nonresidential service. (OAR 860-036-0225)

A water utility may not disconnect residential service for non-payment if a customer enters into a written time-payment plan. The utility will offer such customers a choice of payment agreements between a levelized-payment plan and an equal-pay arrearage plan or some other mutually agreeable alternate payment arrangement agreed to in writing. (OAR 860-036-0125)

*When a customer fails to comply with the terms of a written time-payment agreement between the customer, and/or the utility permits a time-payment agreement charge to become delinquent, the utility shall give at least 15 days' written notice before the water may be shut off.

Rule 29: Reconnection Charge / Disconnection Visit Charge (OAR 860-036-0080 and 0245(7))

The utility may charge a fee in an amount approved by the Commission, and identified in the utility's tariff, whenever the utility is required to visit a residential service address in order to serve a disconnection notice. (OAR 860-036-0245(8))

When a water utility service is disconnected pursuant to OAR 860-036-0245 or 860-036-0250, the utility may charge the reconnection fee in its tariff or in its statement of rates. (OAR 860-036-0240)

Service shall not be restored until the customer complies with the utility's rules and regulations and/or payment is made of any overdue obligation of an Oregon tariffed charge and any additional disconnection, reconnection, or field visit charges incurred as listed on the Miscellaneous Service Charges Schedule are paid.

Rule 30: Unauthorized Restoration of Service

After the water has been disconnected or shut off at the curb stop or at the meter, if any person not authorized by the utility should turn it on, the water service line may be disconnected without notice. Service shall not be reconnected until all arrearages, all cost-of-service disconnection and reconnection, and the reconnection charge listed on the Miscellaneous Service Charges Schedule are paid in full.

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Rule 31: Unauthorized Use

No person shall be allowed to make connection to the utility mains, or to make any alteration to service connections, or to turn a curb stop off or on to any premises, without written permission of the utility. Meter tampering, diverting service, or any other unauthorized use of service will automatically cause a disconnection of the water service and meter removal. All fees, costs of disconnection and reconnection, past-due billings, and service charges listed on the Miscellaneous Service Charges Schedule must be paid in full before any service is restored. An advance deposit for restoration of service may be required.

Rule 32: Interruption of Service (OAR 860-036-0075)

The utility shall have the right to shut off the water supply temporarily for repairs and other necessary purposes. The utility shall use all reasonable and practicable measures to notify affected customers in advance of such discontinuance of service except in the case of emergency repairs. The utility shall not be liable for any inconvenience suffered by the customer or damage to the customer's property arising from such discontinuance of service.

The utility shall keep a record of all service interruptions affecting its whole system or a major section thereof, including the time and date of interruption, duration, and cause or purpose of interruption.

Rule 33: Water Supply/Usage Restrictions (OAR 860-036-0325)

The utility shall exercise due diligence to furnish a continuous and adequate supply of water to its customers. If water restrictions are necessary to equitably apportion its available water supply among its customers with due regard to public health and safety, the utility shall provide written notification to its customers and the Commission including:

- A. Reason for the restriction;
- B. Nature and extent of the restriction;
- C. Effective date of the restriction; and
- D. Probable date of termination of such restriction.

Rule 34: Damages/Tampering

Should damage result to any of the utility's property from molesting or willful neglect by the customer to a meter or meter box located in the customer's building, the utility will repair or replace such equipment and will bill the customer for the costs incurred.

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SERVICE QUALITY

Rule 35: System Maintenance (OAR 860-036-0305)

The utility shall have and maintain its entire plant, distribution system, and hydrants in such condition that it will furnish safe, adequate, and reasonable continuous service. The utility shall inspect its facilities in such manner and with such frequency as may be necessary to ensure a reasonably complete knowledge of its condition and adequacy at all times. The utility shall keep such records of all routine maintenance as considered necessary for the proper maintenance of its system, including regular flushing schedules, exercising of valves, and valve inspections.

Rule 36: Trouble Call

The trouble-call charge listed on the Miscellaneous Service Charges Schedule may be billed whenever a customer requests that the utility visit the customer's premises to remedy a service problem and the problem is due to the customer's facilities.

Rule 37: Water Purity (OAR 860-036-0310)

The utility shall deliver water for domestic purposes free from bodily injurious physical elements and disease-producing bacteria and shall cause such tests to be made and precautions taken as will ensure the constant purity of its supply. The utility shall keep a record of all water quality tests, results, monitoring, and reports.

The utility shall deliver domestic water that is reasonably free from elements that cause physical damage to customer property such as pipes, valves, appliances, and personal property. A water supply that causes such damage will be remedied until the conditions are such as to not reasonably justify the necessary investment.

Rule 38: Water Pressure (OAR 860-036-0315)

The utility shall maintain pressure at a minimum of 20 pounds per square inch (psi) for health reasons to each customer at all times and not exceed a maximum of 125 psi. The 20 psi and 125 psi standards are not presumed to be adequate service and do not restrict the authority of the Commission to require improvements where water pressure or flow is inadequate.

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Issued By	Willamette Water Company, Inc. <i>(at least 30 days after PUC receives filing)</i>		
Signature			
Name & Title	Jeff Demers, Secretary		

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In general, 40 psi of water pressure in the water mains is usually adequate for the purposes of this rule. Adequate pressure may vary depending on each individual water system and its customers' circumstances. In the case of a dispute, the Commission will determine the appropriate water pressure for the water utility.

Rule 39: Pressure Surveys (OAR 860-036-0320)

The utility shall have a permanently placed pressure gauge located on a main that is representative of the system's pressure. A portable gauge in good working condition shall be available for checking pressure conditions in any part of the distribution area.

Rule 40: Customer-Requested Pressure Test (OAR 860-036-0320)

Upon customer request, the utility will perform a water pressure test within 20 working days of the request at no cost to the customer. If the customer requests more than one pressure test within any 12-month period, a deposit to recover the reasonable cost of the additional test may be required of the customer. The deposit shall be returned if the pressure test indicates less than 20 psi or more than 125 psi. The customer or designated representative has the right to be present at the pressure test, and said test shall be conducted at a mutually agreeable time.

For metered service, the pressure will be tested at a point adjacent to the meter on the customer's service line. For non-metered service, the pressure will be tested at the customer's service line or hose bibb or other reasonable point likely to best reflect the actual service pressure.

Rule 41: Maps/Records (OAR 860-036-0335)

The utility shall keep on file current maps and records of the entire plant showing size, location, character, and date of installation of major plant items, including shut-off valves.

Rule 42: Utility Line Location (One Call Program) (OAR 860-036-0345)

The utility and its customers will comply with the requirements of OAR 952-001-0010 through and including OAR 952-001-0090 (One Call Program) regarding identification and notification of underground facilities.

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Rule 43: Cross Connection / Backflow Prevention Program

The utility will keep on file its current cross connection control program as required by the Oregon Health Division Drinking Water Section. The utility is responsible to determine what constitutes a cross connection hazard and what type of backflow prevention assembly is required to remedy that hazard. The utility shall apply this standard to all customers nondiscriminatory. To require a customer to install and test a backflow prevention assembly, the utility must first notify the customer in writing, identifying the cross connection hazard and the type of backflow prevention assembly required. The utility shall inform the customer that he/she is entitled to choose any qualified person to install and/or test the backflow prevention assembly and must provide the customer with a current list of certified backflow prevention assembly testers in the general area. The utility (if certified) may offer its own installation and testing services to the customer; however, the utility shall inform the customer that he/she is not obligated in any way to use the utility's services. When a backflow prevention assembly is required by the utility, the customer is responsible for its installation annual testing by a certified tester. Failure to install and/or test a required backflow prevention assembly is grounds for disconnection. The utility shall keep a record of all backflow prevention assembly installations and tests.

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Signature			
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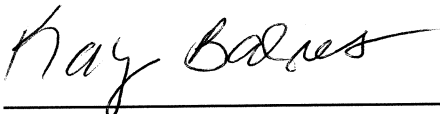
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CERTIFICATE OF SERVICE

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I certify that I have this day served the foregoing document upon all parties of record in this proceeding by delivering a copy in person or by mailing a copy properly addressed with first class postage prepaid, or by electronic mail pursuant to OAR 860-13-0070, to the following parties or attorneys of parties.

Dated at Salem, Oregon, this 5th day of May, 2008.



Kay Barnes
Public Utility Commission
Regulatory Operations
550 Capitol St NE Ste 215
Salem, Oregon 97301-2551
Telephone: (503) 378-5763

**UW 125
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